Filed for intro on 01/17/2002

SENATE BILL 2543 By Kyle

AN ACT to amend Tennessee Code Annotated, Section 7-52-601, relative to authorizing certain municipalities operating an electric plant to provide cable service within the county in which the municipality is located under certain circumstances.

WHEREAS, the General Assembly recognizes that rural areas of the State are less likely to have access to state of the art technologies; and

WHEREAS, the General Assembly has previously authorized municipal electric systems to provide cable, internet, and other services within their respective service areas, subject to certain requirements; and

WHEREAS, the General Assembly finds that granting additional authorization to smaller municipal electric systems that are located in lesser populated counties will enable these electric systems to further contribute to the economic and community development of these municipalities and counties and to improve the overall quality of life for these areas; now, therefore,

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 7-52-601, is amended by adding the following language as a new subsection (e):

- (e) Notwithstanding the foregoing, a municipal electric system providing services in accordance with this part is additionally authorized to provide the services permitted under this section beyond its service area but not beyond the boundaries of the county in which such municipal electric system is principally located if:
 - (1) According to the municipal electric system's most recent TVA Annual Report as of the date of enactment of this act, the municipal electric system provides electric service to less than four thousand (4,000) active residential electric accounts; and
 - (2) The county in which such municipal electric system is principally located has a population of less than forty thousand (40,000) according to the 1990 federal census or any subsequent federal census; and
 - (3) The municipal electric system receives a resolution from the legislative body of the county or any other municipality within such county requesting the municipal electric system to provide such services to its residents; and
 - (4) The municipal electric system obtains the consent of each electric cooperative or other municipal electric system in whose territory the municipal electric system will provide such services.

Provided, that the additional authorization to provide such services by such municipal electric system outside its service area shall be limited only to the county in which such municipal electric system is principally located and to those municipalities within such county whose legislative bodies have submitted such a resolution to the municipality.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring

it.

- 2 - 01110230